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October 12, 2007

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Honorable Victor Marrero
United States District Judge
Daniel Patrick Moynihan U.S. Courthouse
500 Pearl Street, Chambers Room 660
New York, NY 10007

USDS SDNY
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DATE FILED: 12-7-07

Re: Fratelli Cosulich Bunkers (HK), Ltd. v. Fair Wind Shipping Co., Ltd.
Docket #: 07 Civ. 0995 (VM)
LML ref no.: 1089

Honorable Sir:

We represent the plaintiff, Fratelli Cosulich Bunkers (HK), Ltd., in the above-captioned admiralty case, which is presently on the suspense docket, and write to provide the Court with a status report. Defendant Fair Wind Shipping Co., Ltd. has not appeared in this action.

As a result of this action, and the restraint of Defendant's funds in New York, Defendant, who had previously been silent, has engaged Plaintiff in constructive settlement negotiations. A settlement, if reached, would resolve not only this case but also the underlying controversy. Currently, Plaintiff and Defendant are negotiating a settlement which would be funded by all or part of the assets currently under attachment. Assuming that a final agreement can be reached, and we are guardedly optimistic that it will, we shall file a stipulation that provides for the release of the funds and for the dismissal of this case.

Respectfully submitted,

Charles E. Murphy
Charles E. Murphy

CEM/bhs

Plaintiff is directed to inform the Court by 12-7-07 of the status of this action and when final agreement settling the case is reached or stipulated.	
SO ORDERED:	
12-2-07	<i>[Signature]</i>
DATE	VICTOR MARRERO, U.S.D.J.